



# Iowa Department of Human Services

Terry E. Branstad  
Governor

Kim Reynolds  
Lt. Governor

Charles M. Palmer  
Director

## INFORMATIONAL LETTER NO.1566

**DATE:** October 23, 2015

**TO:** Iowa Medicaid Hospitals (Excluding Critical Access Hospitals, Children's Inpatient Facilities, Indian Health Services and Veterans Administration/Department of Defense Hospitals)

**FROM:** Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

**RE:** Reporting Present on Admission – ICD-10 Update

**EFFECTIVE:** Immediately

On March 13, 2012, Informational Letter [1108](#)<sup>1</sup> clarified the preventable medical conditions or adverse events that occurred in the hospital that the IME does not cover. This change only affected (institutional) inpatient claims for type of bill: 11X or 18X.

The non-payable conditions are referred to as "Hospital-acquired conditions (HAC)." A HAC is a condition that is considered reasonably preventable and was not present or identifiable upon admission to the hospital, but is either present at discharge or documented after admission. For Medicaid payment purposes, the IME considers the specific conditions consistent with Medicare's HAC policy.

**Update:** The list of HACs was updated by the Centers for Medicare and Medicaid Services (CMS) for ICD-10 use on or after October 1, 2015. The IME will continue to follow the CMS HAC determinations, including any future updates to the list of conditions and diagnosis codes. The [current list of HACs](#)<sup>2</sup> is available on the CMS website.

"Adverse events" (or "never events") are reportable events which are clearly identifiable, preventable and serious in their consequences for patients. Frequently, their occurrence is influenced by the policies and procedures of the healthcare organization. The "present on admission" (POA) indicator is a status code hospitals must use on inpatient hospital claims that are type of bill: 11x or 18x. The POA indicates that if a condition was present or incubating at the time the order for inpatient admission occurred.

For further clarification on the policies and guidelines regarding POA and HAC in inpatient hospital and ICD-9 references please refer back to informational letter 1108.

If you have any questions please contact the IME Provider Services Unit at 1-800-338-7909, or email at [IMEproviderservices@dhs.state.ia.us](mailto:IMEproviderservices@dhs.state.ia.us).

<sup>1</sup> [https://dhs.iowa.gov/sites/default/files/1108\\_ReportingPresentOnAdmission.pdf](https://dhs.iowa.gov/sites/default/files/1108_ReportingPresentOnAdmission.pdf)

<sup>2</sup> [https://www.cms.gov/icd10manual/fullcode\\_cms/P0390.html](https://www.cms.gov/icd10manual/fullcode_cms/P0390.html)